

MaineCare Dental Rate Reform

Provider Forum

4/27/2022

MaineCare Data Analytics and Rate Setting



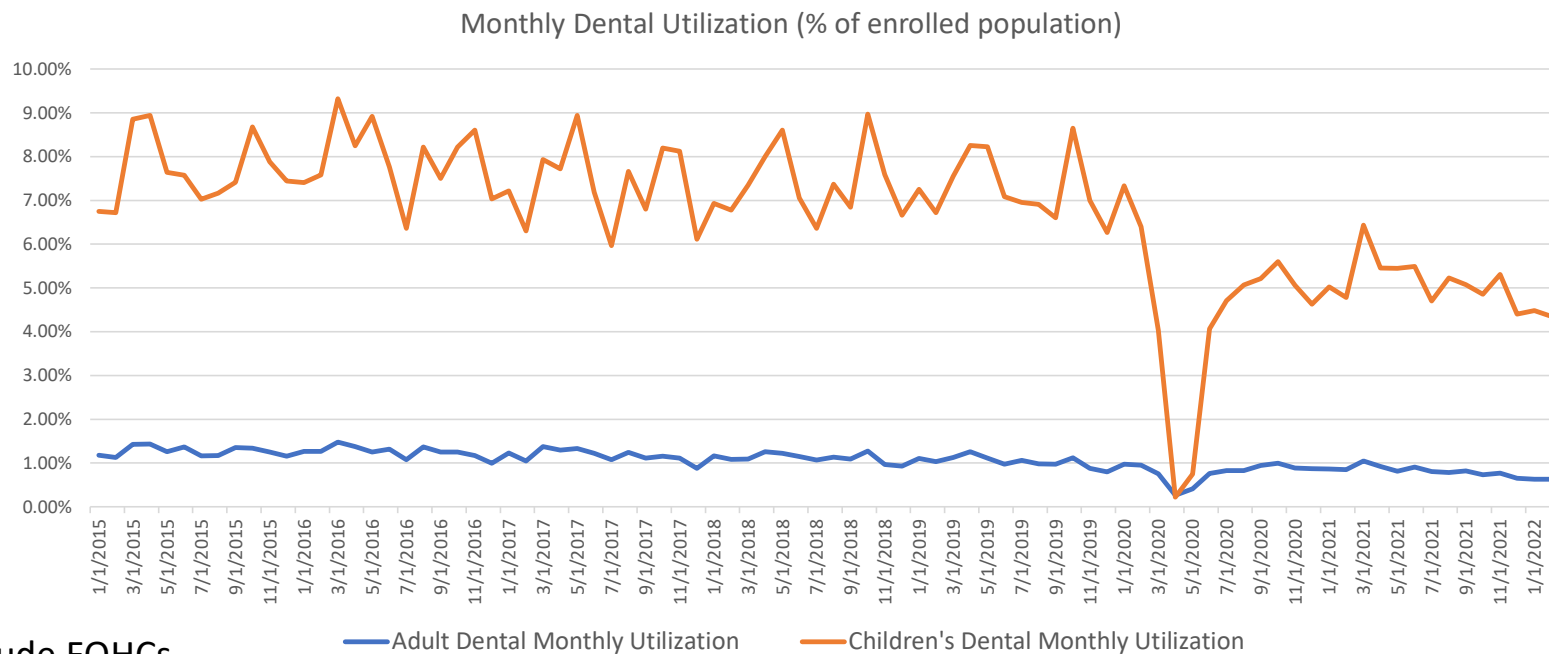
Agenda

- Welcome & Introduction
- Current Status of MaineCare Section 25 Dental Services
- Overall Impact of Proposed Rate Changes
 - Rate Changes and Benefit Expansion
- Benchmark Analysis
 - Methodology
- Dental Rate Reform
 - Methodology
 - Proposed Rates
- Questions?

Current Status of MaineCare Section 25* Dental Services

- Total Spend \$20M in 2019; \$21M in 2021
- Decrease in provider service locations (see table)
- Member enrollment in MaineCare increased 21%
 - 18% increase in children's enrollment
 - 38% increase in adult's enrollment

Calendar Year of Service	Service Locations*
2019	264
2020	220
2021	202



*does not include FQHCs

Overall Fiscal Impact of Proposed Changes: \$45M

- \$21M in current spending
- ~\$8M planned investment in rates for current children's and adult dental benefits
- Another ~\$37M investment for adult benefit expansion, mirroring same rate investment

Rate Change Impact on Section 25:

- 37% increase in spending overall
- 70% increase in spending for Diagnostic and Preventive services

Approach to Determine Dental Rates

- MaineCare's 2021 Comprehensive Rate System Evaluation recommended that the Department set MaineCare rates for dental services as a percentage of median dental rates paid by Maine commercial dental plans.
- If the commercial benchmark for a code meets criteria for reliability, reasonableness, and impact on access, then MaineCare's default rate methodology will be to set the rate at a % of the commercial benchmark.
- If not, then if the Medicaid benchmark for a code meets criteria for reliability, reasonableness, and impact on access, then MaineCare's default rate methodology will be to set the rate at a % of the Medicaid benchmark.
- If neither, then that code will be flagged for further review.
- There are also codes where rates should be set in relation to each other (e.g., codes occur in a series based on quantity of teeth). For these codes, the "base code" may be set using a benchmark as described above, and then the other codes would be set in relation to the base code.

Benchmark Analysis

- MaineCare calculated the Commercial Benchmark using dental claims submitted by commercial insurers to the Maine Health Data Organization's (MHDO) All Payer Claims Database (APCD) for the most recent 12 months of data available (7/1/2020 - 6/30/2021).
 - Calculated the allowed amount (Payer Amount + Copay + Deductible + Coinsurance) for each claim.
 - Set the median allowed amount as the Commercial Benchmark for that code.
- MaineCare calculated the Medicaid Benchmark by taking the average of rates listed on all other states' Medicaid fee schedules.
 - If a state did not list a rate for the code, we removed that state from the benchmark calculation.
 - If a state lists separate rates for adults and children, we used the average of those two rates in the benchmark calculation.

Benchmark Data Walkthrough Example: Comprehensive Oral Evaluation

Procedure Code	2022 MaineCare Rate	Commercial Benchmark: Median Maine Commercial Allowed Amount	Medicaid Benchmark: Ave State Medicaid Rate
D0150	\$55.00	\$90.00	\$36.66

Dental Rate Reform

Service Type	Rate determined by Commercial Benchmark	Rate determined by Medicaid Benchmark
Diagnostic	67% of the Commercial Benchmark	133% of the Medicaid Benchmark
Endodontic		
Periodontic		
Preventive		
Adjunctive General	50% of the Commercial Benchmark	100% of the Medicaid Benchmark
Maxillofacial Prosthetics		
Oral and Maxillofacial Surgery		
Orthodontics		
Prosthodontics		
Restorative		

Dental Rate Calculation Walkthrough Example: Comprehensive Oral Evaluation

Procedure Code	Current Rate	2021 Commercial Benchmark	Percent of Benchmark	Inflation Factor	Proposed Rate
D0150	\$55.00	\$90.00	67%	2.34%	\$61.41

$$\text{Proposed Rate} = \$90.00 * \frac{2}{3} * 1.0234 = \$61.41$$

Clinical-based Exceptions to Standard Methodology: Extractions and Silver Diamine Fluoride

Application of the standard methodology resulted in rate reductions for two services, extractions and SDF, that created clinically-based concerns for access to critical care. As a result, the Department is proposing alternative benchmarks for these services. The alternative benchmark for extractions will be temporary, to provide time for the expanded dental benefit to reduce the need for extractions.

Service	Procedure Code	2022 MC Rate	Approach from Standard Methodology	Rate Derived from Standard Methodology	Alternate Recommendation	Proposed Rate
SDF	D1354	\$24.74	67% of Commercial Benchmark	\$11.60	Use 133% of Medicaid Benchmark	\$25.70
Extraction	D7140	\$91.00	50% of Commercial Benchmark	\$82.39	Temporarily (2 years) use 67% of Commercial Benchmark	\$110.40

Questions and Comments

Next Steps

- Benchmark Analysis and Proposed Rates
 - Feedback - email input to Jessica Levesque, OMS Rate Setting Analyst
jessica.l.levesque@maine.gov
- Provider Outreach
 - Evening forum in mid-May
 - Develop targeted communications with partners
- Rulemaking for new rates and expanded adult dental benefit
 - Anticipate proposing rule in late spring
 - Public hearing/public comment
 - Anticipated July 1 effective date